

**CALL NO. 08-1
FOR PROFESSIONAL SERVICES
TO BE PROVIDED TO THE
CITY OF SANTA CLARA, CALIFORNIA
BY JACO ENVIRONMENTAL**

The Parties to this Call No. 08-1 ("Call") agree that on this _____ day of _____, 2008, this Call is made pursuant to the terms of a Call Agreement between the Parties entitled, "Call Agreement by and Between the City of Santa Clara, California and JACO Environmental, of the same date, the terms of which are incorporated by this reference. This Call describes the Services to be provided to the City of Santa Clara, California ("City") by JACO Environmental ("Contractor"), which are more fully described in Contractor's proposal to City entitled "2008 - 2009 Refrigerator and Air Conditioner Recycling Program for Silicon Valley Power " dated July 2, 2008 ("Proposal"), attached to this Call as Exhibit A and incorporated by this reference. The Services to be performed under this Call shall be completed within the time period beginning on July 15, 2008, and ending on June 30, 2009. The attached Proposal contains a complete description of the Services, and performance dates for the completion of such Services, to be performed by the Contractor under this Call. In no event shall the amount paid to the Contractor for the Services provided to City by the Contractor under this Call, including all fees or pre-approved costs and/or expenses, exceed eighty nine thousand five hundred dollars (\$89,500.00), subject to budgetary appropriations.

The Parties acknowledge and accept the terms and conditions of this Call as evidenced by the following signatures of their duly authorized representatives.

**CITY OF SANTA CLARA, CALIFORNIA,
a chartered California municipal corporation**

Approved as to Form:

HELENE L. LEICHTER
City Attorney

Attest:

ROD DIRIDON, JR.
City Clerk

By: _____
JENNIFER SPARACINO
City Manager

1500 Warburton Avenue
Santa Clara, CA 95050
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**JACO ENVIRONMENTAL
a Washington corporation**

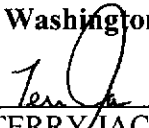
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EXHIBIT "A"
SCOPE OF WORK

Proposal for
2008 - 2009 REFRIGERATOR AND AIR CONDITIONER
RECYCLING PROGRAM
FOR
SILICON VALLEY POWER

Submitted to Silicon Valley Power
July 2, 2008

A Proposal by
JACO Environmental

Contact Information:

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2. Executive Summary

What	Comprehensive, turnkey refrigerator/freezer/room air conditioner recycling services for Silicon Valley Power; including in-home pickup, incentives fulfillment, and comprehensive recycling.
Who	JACO Environmental (prime contractor) – program general management; call center, unit warehousing, recycling processing, and data reporting functions. Appliance Distribution (AD; subcontractor) – appliance collection from customers' homes. Ecology Control Industries (subcontractor) – – hazmat materials handling services.
Where	Collection pickup: Silicon Valley Power service territory, all in the City of Santa Clara. Logistics: collections handled by AD trucks based out of JACO's Hayward facility. Recycling processing: JACO Hayward facility.
How Many	Up to 400 units for refrigerators/freezers; Up to 50 units for room air conditioners
When	Fiscal year of July 2008 – June 2009.
Why Our Team	<p><i>Ability to handle the volumes:</i> As of June 2005, JACO already recycles approximately 1,250 appliances daily for major retailers (Sears, Home Depot, Lowe's, Best Buy) in Washington, Oregon, and California, and up to an additional 350 units per day (during summer months) for utility refrigerator/freezer recycling programs. In contrast, the Silicon Valley Power program would involve up to 300 units total over the course of the 2006-07 fiscal year.</p> <p><i>Successful program implementation:</i> JACO-SMUD team awarded ACEEE Exemplary Program award in June 2003 for 2001-2002 SMUD Refrigerator Recycling Program. Additionally, JACO's implementation of refrigerator recycling programs in 2004 for IOU's in Utah (PacifiCorp/Utah Power and Light), Nevada (Nevada Power, Sierra Pacific Power), and California (PG&E) all finished either on or ahead of schedule; all of these utilities extended JACO contracts into 2005 (or beyond). New utilities initiating programs during 2004 included PSE Energy, Snohomish PUD, and Fort Collins Utilities.</p> <p><i>Exemplary corporate conduct and performance:</i> JACO is a 16-year old Washington-based recycling firm with socially responsible conduct, growing revenues and profits, a \$1.5 million credit line, and no history of any major litigation.</p> <p><i>Recycling processes noted for their comprehensiveness and efficiency (e.g., CFC-11 from refrigerator foam completely destroyed through incineration process):</i> JACO was awarded a U.S. patent in May 2004 for its refrigerator recycling system and method. Based on this work, JACO's Michael Dunham was appointed to the U.N. Task Force on End of Life CFC-11 Foam-Handling Policy Issues during 2004, and the Task Force in May 2005 published a report strongly supportive of the incineration approach (available for download at http://www.unep.org/ozone/teap/Reports/TEAP_Reports/TEAP-May-2005-Vol-2-Forms-End-of-Life.pdf).</p> <p><i>Multiple award winner:</i> JACO won an ACEEE June 2003 award for the 2001-2002 SMUD refrigerator recycling program. JACO also won a 2004 Stratospheric Ozone Protection award from the U.S. EPA in April 2004.</p>

3. Project Team

Section 3 describes the project team organizations (i.e., JACO Environmental, Appliance Distribution, and Ecology Control Industries) in reasonably thorough detail. Each organization is described in turn.

3.1. JACO Environmental

JACO Environmental will be the prime contractor on the project, and will provide program general management; call center, unit warehousing, recycling processing, and data reporting functions.

Business Address	Business headquarters: JACO Environmental, 7115 Larimer Road, Everett, WA 98208
Year Established	1989
Parent Company	Not applicable
Officer Names	Terry Jacobsen, President Tammy Jacobsen, Secretary-Treasurer
Contact Information for this Proposal	Michael Dunham, Director, Energy and Environmental Programs; Voice phone: 949-494-6443; Fax: 949-493-4287; Cell: 510-774-2062; Email address: MADUNHAM17@aol.com ; Mailing address: JACO Environmental, 2354 East Walnut Avenue, Fullerton, CA 92831

JACO Environmental is a 17-year old company started in Seattle, Washington to support retailers by recycling old appliances that customers were replacing. The firm has grown into one of the largest recyclers of household appliances in the United States, with current operations in 5 states and 8 major western markets. JACO's anticipated 2005 volumes are approximately 500,000 units recycled.

JACO recycles approximately 850 appliances per day for Sears, our largest retail customer. This business relationship began in 1991, and continues to this day. Across all retailers – which include Home Depot, Lowe's, and Best Buy as well as Sears, JACO recycles approximately 1,250 appliances per day.

In August 2001, we received a contract to handle a refrigerator/freezer-recycling program for the Sacramento Municipal Utility District (SMUD). This program, which originally had been designed to last a total of 15 months, was so successful (i.e., oversubscribed) that it was completed in six months, *and* well below budget. It was subsequently extended through summer 2002.

Since then, we have been awarded additional utility appliance recycling program contracts at Lodi [California] Electric, Commonwealth Edison (through the Midwest Energy Efficiency Alliance), Sierra Pacific Power, Nevada Power, PacifiCorp, PG&E, Fort Collins [Colorado] Utilities, Puget Sound Energy, and Snohomish [Washington] Public Utility District. Additionally, we have been awarded refrigerator recycling contracts from the cities of San Francisco and

Berkeley. As of summer 2005, utility program volumes cumulatively amount to approximately 350 units processed per workday.

JACO is a well managed and financially sound company that enjoys an excellent reputation with its clients. We are fully insured and permitted to meet all federal, state and local regulations. The company is a Washington-based corporation that is 100% owned and managed by founder Mr. Terry Jacobsen.

JACO Environmental is a financially solid corporation with 2004 revenues of \$14.5 million. The company's current line of credit is \$1.5 million.

Recycling Facilities. During the last 15 years, JACO has operated facilities that recycle appliances in most of the Western states. The first facility (which has been operating for more than 11 years) is the Snohomish, Washington facility at 10101 Airport Way¹. This 15,000 sq ft center is equipped to handle ozone-depleting chemicals (i.e., Freon), compressor oils, and PCBs. Current processing volume is approximately 400 units per day, but the facility is capable of handling more by simply adding technicians and staff. The appliances include refrigerators, freezers, washers, dryers, dishwashers, and air conditioning units.

The Portland, Oregon operation has been operating for 8 years at volumes exceeding 150 units per day. This 10,000 sq ft facility can recycle up to three times that volume using existing equipment and permits. This facility was upgraded in April 2003 such that its processes are identical to those used in the Hayward, California facility (see below). Beginning in fall 2004, it processed units associated with PSE Energy and Snohomish County P.U.D. programs.

The Hayward, California recycling center (originally 10,000 sq ft) has been operating for more than three years, and is the most efficient of all. Processing volumes exceed 300 units per day, and the facility can warehouse up to 1,000 units simultaneously. Hayward was the first JACO facility to integrate our patented refrigerator recycling process that recycles over 90% of the materials used to manufacture the refrigerators. Refrigerants, oils, PCBs, plastic, polyurethane foam with CFC-11, metals, and glass are all recycled at this location. Appliances from SMUD, ComEd, Sierra Pacific Power, San Francisco, and PG&E were sent to this location during 2001 - 2003. The Hayward facility was inspected by the Environmental Protection Agency during 2003, and received excellent marks and zero infractions of any kind. *Note:* in February 2004, the Hayward facility expanded within the same business park complex, as an additional 22,000 sq ft of space was leased to handle increased volumes during 2004-2005 associated with refrigerator recycling programs at PG&E (both energy efficiency and low-income programs), SMUD, and Sierra Pacific Power. As of summer 2005, the 10,000 sq ft facility handles non-utility program appliances, while the 22,000 sq ft facility exclusively handles utility program

¹ JACO previously operated in a smaller facility nearby.

refrigerators and freezers. *This particular facility processes Silicon Valley Power program appliances. We encourage Silicon Valley Power to visit this facility.*

The 12,000 sq ft Fullerton, California (Orange County) recycling center opened in September 2002. Its scope of operations is essentially identical to the Hayward facility. It serves Southern California and southern Nevada.

The 12,000 sq ft Salt Lake City, Utah recycling center opened in May 2003. As with Fullerton, its scope of operations closely resembles the Hayward facility. It is located just off Interstate 15, affording convenient, centrally located access to all the Rocky Mountain states. It currently processes appliances from PacifiCorp/Utah Power and Light and Fort Collins Utilities.

Additional general information regarding JACO can be found on the company's web site at <http://www.jacoinc.net/index.aspx>.

3.2. Appliance Distribution

Appliance Distribution (AD) is a subcontractor to JACO Environmental on the project, and will provide appliance delivery and collection services.

Business Address	Business headquarters: 3201 Evergreen Avenue, Sacramento, CA 95691
Year Established	1999
Parent Company	Not applicable
Principal Names	Roy Fernandez, Jr., LLC Member Miguel Macias, LLC Member
Contact Information for this Proposal	Roy Fernandez, Jr., LLC Member; Voice phone: 916-374-0402 Fax: 916-374-0407; Email address: RoyFernJr@aol.com; Mailing address: 3201 Evergreen Avenue, Sacramento, CA 95691

AD is a California –based minority business enterprise (as certified by the California Public Utilities Commission) specializing in appliance logistics and the wholesale distribution of new, used, and freight-damaged appliances. The company was formed in 1999 through the merger of three appliance-related businesses to service consumers in the wholesale, distribution and export trades.

AD currently possesses two primary California trucking facilities (in San Diego and Sacramento), as well as sites in Salt Lake City, Utah and Guadalajara, Mexico. Collectively, AD has approximately 50,000 square feet of warehouse space and a fleet of 15 trucks. AD serves a wide variety of large companies, including Sears, Circuit City, and Lowe's. For this project, AD would base a subset of its truck fleet at JACO's Hayward facility for appliance deliveries to and collection pickups from customer homes.

The company began providing refrigerator removal services for JACO in September 2001. AD personnel are highly aware of the environmental dangers caused by irresponsible appliance recycling, and has successfully passed all tests in refrigerant recovery required by the U.S. Environmental Protection

Agency. AD project lead Roy Fernandez, Jr. is certified by AHAM/NARDA for handling ozone-depleting chemicals.

Additional information regarding AD's functional expertise of relevance to this project is provided in Section 4.

3.3. Ecology Control Industries

Ecology Control Industries will be a subcontractor to JACO Environmental on the project, and will provide hazardous material waste handling services related to materials such as compressor oils, PCBs, and mercury.

Business Address	20846 Normandie Avenue, Torrance, CA 90502
Year Established	1977
Parent Company	Not applicable
Officer Names	Michael Jeffries, VP Sales and Marketing
Contact Information for this Proposal	Penny Ash, Executive Account Manager, Voice phone: 916-417-9366; Email address: Envirpenny@aol.com

Ecology Control Industries is a fully licensed hazardous waste hauler based in Torrance, California (Los Angeles County). The company was founded in 1977, and is a California Corporation. Ecology Control Industries acquired certain assets and equip from Asbury Environmental Services (JACO's previous hazmat services provider) in March 2005; these assets included Account Executive Penny Ash, with whom JACO has worked on all previous Western United States refrigerator recycling program activity dating back to 2001.

Services. Services provided include (but are not limited to) the following:

- Emergency Response (24-hour Emergency Dispatch at (800) 321-5479)
- Hazardous & Industrial Waste Management (Sampling, Lab Analysis, Haz-Cat Testing, Lab-Packing, Disposal, Recycling, Waste Tracking)
- Transportation (Roll-Offs, Vacuum Trucks, Box Vans, Stake Beds)
- Onsite Environmental and Facility Management
- Industrial Field Services and Cleaning
- Decontamination, Abatement and Remediation Services
- UST/AST Services (Tank Cleaning, Removal, Installation)
- Temporary Storage Services (Poly Tanks & Crown Tanks)
- Storm Water Services (Screen & Drain Filter Installation, Maintenance)
- CCTV Services (State of the Art Computer Controlled Camera Truck)
- Super Sucker and Jetter Services

Additional information regarding Ecology Control Industries' role on the project is provided in Section 4.

3.4. Organization Chart Discussion

All JACO personnel report to Michael Dunham, with the exception of Michael Dunham (who reports to JACO President Terry Jacobsen). All subcontractors report to Michael Dunham. All subcontractor non-lead personnel report to Roy Fernandez, Jr. (of AD) or Penny Ash (of Ecology Control Industries), as applicable.

4. Services

Section 3 opens with JACO comments regarding the bid specifications contained in the RFQ. The remainder of Section 3 focuses on descriptions of the "core" services associated with the program:

- Call center operations,
- Collection processes,
- Recycling services,
- Incentive processing,
- Customer complaint issues.

Each of these topics is discussed in turn.

Please note that the processes and services described below are essentially identical to processes and services that JACO has delivered previously, or is delivering currently, for utilities, cities, and corporate clients elsewhere in the western United States. Moreover, these processes and services have been delivered in quantities significantly greater numbers than the quantities envisioned for the Silicon Valley Power program (and with extremely high levels of client satisfaction).

4.2. Call Center Operations

JACO operates a call center in Seattle that handles between 1,500 and 2,000 calls per day for our current clients. The call center's Norstar Symphony III ACD system can handle 100 calls simultaneously, and up to 6,000 calls per 8-hour shift. The phone center includes 5 inbound 800 numbers and 19 operator stations. The phone system is capable of tracking the call center data such as total number of calls, total number of calls on hold, and average hold time. The phone system and the entire administrative office (and its computers) are protected by a Cummins EDI auto backup generator in the event of a power outage.

The call center hours of operation will be Monday through Friday 8 AM - 7 PM and Saturday 9 AM - 2 PM. Customers will be pre-qualified, and informed of eligibility criteria when they initially call the center.

The scheduling department will maintain all reservations within a 10-day "look ahead" period. Customers then will be called 48 hours ahead to remind them of their appointments, and also inform them of the specific four hour time window for unit pickup; additionally, customers will be reminded to have their appliances plugged in and cleaned out.

JACO operators can facilitate calls in many languages. English and Spanish calls can be fielded in-house. Calls in other languages – as well as for the hearing-impaired – can be facilitated by simply conferencing the caller into the AT&T translation service to which JACO subscribes. The JACO voice mail system will

provide a complete menu of option selections in both English and Spanish (after the customer initially selects English or Spanish as the preferred language option).

JACO operators will utilize scripted dialogs in pre-qualifying customers. Specific language will be reviewed and approved by Silicon Valley Power.

JACO's call center and associated computer systems have considerable flexibility regarding the use of pre-qualifying screening criteria, and JACO is prepared to utilize whichever approach makes the most sense for Silicon Valley Power. For example, a zip code-based approach can work easily. Alternatively, JACO's systems can integrate seamlessly with account number files (such an approach has been utilized in the PacifiCorp / Utah Power and Light refrigerator recycling programs, for example). Note that JACO's current systems can utilize the customer's name and address to identify prior program participants during the program time horizon.

4.3. Collection Processes

This function will be handled by Appliance Distribution (JACO's transportation/logistics subcontractor), using AD's fleet of local (Hayward-based) collection trucks. Days of collection operation will be Monday through Saturday. Specific collection processing steps to be used in the program are delineated below.

- Customers will be called 48 hours ahead to confirm appointments (thereby validating appliance removal requests ahead of collection), and to inform them of the specific four-hour appointment window for unit pickup. Customers also will be reminded to have their appliances plugged in and cleaned out.
- Before leaving the local (Hayward) base of operations, the truck crew will print out locally the day's pickup list and all associated customer-specific program forms.
- A two-person crew will have the customer review and sign the program data form; an updated / modified copy of this form will serve as his or her receipt for the Silicon Valley Power program.
- Once the crew members verify that a unit works, they will cut the power cord and, using a dolly, move the appliance to the back of the truck. At that point, we will disable the unit by smashing the cold control with a hammer, remove the door gaskets, and spray paint a red "X" on the side, indicating that the appliance is not to be resold. The corresponding number from the data form will be written on the side of the appliance for tracking purposes.

- At the end of each daily route, the collection trucks (which hold up to 20 units) will deliver the appliances back to the Hayward facility.
- If the customer is not home, a door tag will be left with the driver's name, mobile phone number, and the 800 number so the customer can reschedule. If the customer calls the driver and the truck is still in the area, the truck will return the same day to complete the appliance collection.
- At the end of the day, each truck crew will enter the day's activities into the program database. All unit-specific activities will be tracked (e.g., unit picked up successfully, customer not home, unit too small).

The specific vehicle to be used either will be drawn from AD's fleet of Northern California-based trucks. The truck serving the Silicon Valley Power service territory will be modern (i.e., from the 2002 model year or thereafter) and efficient.

4.4. Recycling Processing Services

"Core" recycling processing aspects of the project will be handled by JACO Environmental. Ecology Control Industries will handle the compressor oils, PCBs, mercury, and polyurethane-containing CFC-11. Note that materials such as SO₂ and ammonia simply can be vented in quantities of up to two pounds per day, and do not require any permits for such disposal².

All refrigerators and freezers collected in the Silicon Valley Power service territory will be processed in JACO's Hayward facility.

Following is a listing of the steps we will take in the recycling process. All data regarding the collected units will be recorded and logged for use in development of required reports. As appropriate for each of the materials and processing steps discussed below, JACO will maintain hazmat shipping manifest documents and corresponding certificates of disposal and/or recycling, and will forward these documents to Silicon Valley Power with each annual report.

- Unload appliances at dock doors, and catalog them by unit number and utility of origin.
- Evacuate refrigerants using JACO's Perfect Cycle LMP 5100 equipment capable of handling up to 40 units simultaneously while pulling 25 to 35 pounds of refrigerant per minute. The CFC-12, HCFC-22, and HFC-134a will be stored in 1,000, 250, and 250 pound canisters, respectively, and ultimately shipped to Total Reclaim in Seattle for either destruction or purification, packaging and resale.

² Pragmatically, it is unlikely that such quantities would be attained or exceeded on a daily basis, as they are associated with extremely old units.

- As applicable, remove starting devices (e.g., capacitors) that may contain PCBs. Suspect PCB-containing starting devices will be stored in clearly marked, five-gallon EPA-approved drums. They will be transported by Ecology Control Industries to Onyx Special Services' in Phoenix, where they will be destroyed in a hazmat incinerator.
- As applicable, remove mercury switches and thermostats. Follow California Integrated Waste Management Board (CIWMB) and California Department of Toxic Substances Control (DTSC) protocols for identification of such devices³. Suspect devices will be stored in clearly marked, five-gallon EPA-approved drums. They will be transported by Ecology Control Industries to Onyx Special Services' in Phoenix, where they will be destroyed in retort ovens under negative air pressure.
- Drill compressor, and pump out compressor oil. The oil will be pumped out and stored in EPA-approved 55-gallon drums. Ecology Control Industries will transport these drums to a cement kiln facility in the Western United States, where the oil will be used as a feedstock (i.e., completely incinerated) to run the facility kiln.
- Remove and crush glass shelving. The glass subsequently will be shipped to a nearby glass recycler (e.g., Western Strategic Materials in San Leandro). The glass typically is used as an aggregate material in concrete an aerator for potting soil, or spread over dirt roads to control dust. Note that refrigerator glass is tempered, and cannot be mixed with typical container glass waste streams.
- Remove disabled compressor. The disabled compressor will be sold to Ardour World Ltd. of the United Kingdom, and ultimately will make its way into the scrap copper, steel and aluminum markets in the developing economies of India, Pakistan, and/or China.
- Drill core sample in refrigerator back wall. The sample will be used to determine the type of insulation used in the unit.

Units containing CFC-11 (approx. 70% of anticipated refrigerator & freezer units) – Incineration Option

- Units containing CFC-11 will be sent to the cutting area and cut into approximately three pieces so the metal, plastic shell, and polyurethane can be separated.

³ Please refer to the following two references: A) California Integrated Waste Management Board, "Appliance Recycling Guide" (current version dated June 1998, but to be completely rewritten for 2006 law updates); and B) California Department of Toxic Substances Control, "Waste Management Options for Mercury-Containing Switches in Vehicles and Major Appliances", June 2004.

- Since this is non-hazardous solid waste, ship polyurethane containing CFC-11 in 10 lb. sealed plastic bags using common carrier trucking services to the Spokane (Washington) Regional Solid Waste System plant for final and total destruction by incineration above 900 degrees Centigrade, thereby leaving no harmful by-products. JACO notes that the Spokane facility is a waste-to-energy plant, which means that the foam will be used as feedstock to generate electricity distributed across the Western U.S. power grid.
- Shred plastic crispers, shelving, interior lining, and the shell into dollar bill-sized pieces. These shreds then will be packaged in cardboard boxes, and shipped to MBA Polymers in Richmond, California for separation and resale in the recycled plastic market.
- Separate aluminum and copper from steel for the remaining unit components (basically the frame, siding materials, motor, and compressor). Transport the aluminum, copper and steel material streams to Sims Metal in Hayward, who will shred the materials, and sell them in the recycled metals markets.
- The left over materials that are landfilled are physically quite small: the gasket rubber and the fiber insulation contained in the doors. For typical refrigerator and freezer units, the landfilled materials can fit easily into an ordinary shopping bag.
- Note that data regarding the pounds of steel and aluminum, ounces of CFC-12, and the like are all tracked, and will be used as inputs to the materials recycled report.

Units containing CFC-11 (approx. 70% of anticipated units) – Non-Incineration Option

- For this program option, the entire shell will be shredded, and then land-filled (along with the gasket rubber and door fiber insulation). This particular approach is lower cost than the incineration option, but does result in CFC's being out-gassed to the atmosphere.

Units not containing CFC-11 (approx. 30% of anticipated units)

- Ship the remaining unit components – basically the refrigerator “hull”, consisting of metal, the plastic shell, and the polyurethane insulation (less the already-removed interior crispers and shelving) – to Sims Metal. Sims Metal will shred these materials, and the resulting “fluff” will be donated to landfills for use as “clean” membrane barriers. *Note:* materials separation of metal, plastic, and polyurethane is not recommended by JACO for these particular units, since 1) they do *not* contain environmentally dangerous CFC-11 and 2) the labor costs associated with separating them would add significant recycling processing costs to the program.

4.5. Incentive Processing Services

Program participants will have their incentive checks processed and mailed by JACO within 4 to 6 weeks of the appliance collection date. The processes involved are essentially identical to processes used by JACO for utility refrigerator recycling programs at (but not limited to) PG&E, Utah Power and Light, Nevada Power, and Fort Collins Utilities.

4.6. Customer Complaint Response Issues

JACO will respond – at least initially – to all complaints or questions within 24 hours of when received. All involved parties will discuss complaints requiring resolution in order to identify a mutually agreeable solution and an acceptable timeframe for resolution. If the parties cannot agree on a solution and/or an acceptable timeframe, the customer and/or JACO can appeal to Silicon Valley Power.

4.7. Tracking/Reporting Services

JACO will leverage a subset of the tracking and reporting system that it uses for utility refrigerator recycling programs for the Silicon Valley Power program services. The JACO tracking and reporting system is based in Microsoft Access, and contains approximately 55 fields. Every appliance unit has a unique database record number that is tracked from time of the initial call/appointment, through unit disassembly and subsequent separation of waste streams. Core envisioned reporting will focus on general progress/status reports (e.g., cumulative-to-date or from/to-based information) and materials reports (e.g., harvested hazardous materials), as well as RFP-requested reports (e.g., units by type, age, electric consumption).

One of the front end features of the JACO database is that Silicon Valley Power will be able to log on and observe program tracking data in “real time” (i.e., a Silicon Valley Power staff person can observe recent updates to the web-based portions of the program tracking system by hitting the screen “refresh” button in his/her Web browser software).

For additional – and objective – information regarding JACO’s refrigerator recycling program reporting capabilities, we suggest Silicon Valley Power contact Mr. Jim Gilroy at PacifiCorp / Utah Power & Light at (503) 813-5153 or Mr. John Phelan at Fort Collins Utilities (970) 416-2539.

4.8. Other Services-related Issues

Additional information regarding the JACO team’s key personnel, similar previous program implementation experience, licenses, permits, processes and methods, vehicles, tracking systems, reports, and project management will be made available to Silicon Valley Power upon request.

5. Bid and Bid Execution Statement

5.1. Bid Information

Per-unit bid information is provided in tabular form below. Actual fees (invoiced monthly, with payment terms of net-30 days) will depend on the indicated costs per unit and actual numbers of units collected.

<i>Bid Item Description</i>	<i>Bid Amount (\$/unit picked up and recycled)</i>
Turnkey services – CFC-11 incineration option	\$140 Note: fees will be reduced by \$20/unit for all additional units picked up at the same customer service address.
Turnkey services – CFC-11 non-incineration option	\$120 Note: fees will be reduced by \$20/unit for all additional units picked up at the same customer service address.
Air Conditioners	\$110 \$25 rebate (as opposed to \$35 for refrigerators and freezers), no CFC removal required for AC's.

The above fee structures will remain fixed for the duration of the program implementation (i.e., for units picked up through June 2009).

Total Not to Exceed Budget:

\$140 x 600 (Refrigerators and Freezers) =	\$84,000
\$110 x 50 (Room Air Conditioners) =	\$ 5,500
	<u>\$89,500</u>

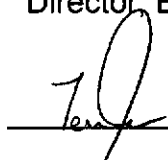
Based on prior similar program experience, JACO estimates that approximately 8% of the participating units will be additional units picked up at the same customer location.

5.2. Bid Execution Statement

I hereby assert that this proposal is genuine, valid, non-collusive, and complete, and that I am authorized to execute a contract on behalf of JACO Environmental and its identified subcontractors with regards to this proposal.

Prepared and Approved by: Michael Dunham, JACO Environmental,
Director, Energy and Environmental Programs

Signature:



Date:

July 2, 2008